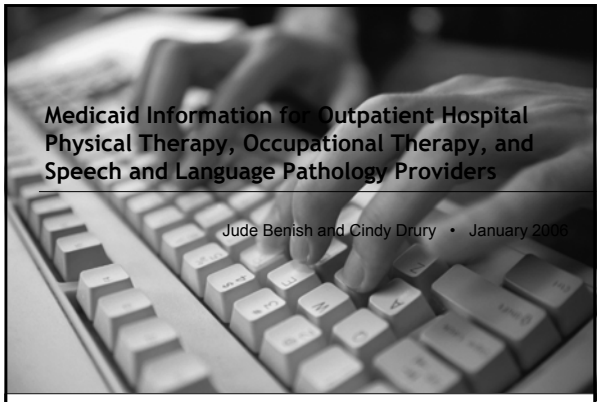

Medicaid Information for Outpatient Hospital Physical Therapy, Occupational Therapy, and Speech and Language Pathology Providers

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Welcome

We will be discussing Medicaid information for physical therapy, occupational therapy, and speech and language pathology providers, specifically regarding therapy services provided in outpatient hospitals.

The intended audience for today's training session includes the following groups working in outpatient hospitals (not at off-site clinics):

- Clinicians.
- Billers.

Note: Program requirements remain unchanged for providers offering off-site hospital PT, OT, and SLP services who are employed by, or under contract to, hospitals. These providers are required to be individually certified by Wisconsin Medicaid.

Agenda

- New Medicaid requirements for outpatient hospital PT, OT, and SLP services.
- Reimbursement.
- Medicaid certification requirements.
- Covered services.
- Prior Authorization/Web PA.
- Supervision requirements.
- Documentation requirements.
- Coordination of benefits.
- Claims submission.
- PT, OT, and SLP Services Handbook overview.

New Medicaid Requirements

Effective for dates of service on and after March 1, 2006, reimbursement rates and program requirements will change for outpatient hospital physical therapy (PT), occupational therapy (OT), and speech and language pathology (SLP) services. The following changes will occur:

- Providers will be required to follow program requirements for PT, OT, and SLP services (instead of program requirements for outpatient hospital services).
- Providers will be reimbursed up to an established maximum allowable fee.

New Medicaid Requirements (cont.)

Therefore, providers will be required to:

- Submit claims using the CMS 1500 claim form or the 837 Health Care Claim: Professional (837P) transaction. The UB-92 claim form and 837 Health Care Claim: Institutional (837I) transaction will not be accepted when submitting claims for these services.
- Follow prior authorization requirements and procedures for PT, OT, and SLP services.
- Use *Current Procedural Terminology* (CPT) and Healthcare Common Procedure Coding System (HCPCS) procedure codes on claims submitted to Wisconsin Medicaid. Revenue codes will not be allowed when submitting claims for these services.

Reimbursement

As a result of 2005 Wisconsin Act 25, the 2005-07 biennial budget, outpatient hospital PT, OT, and SLP services will no longer be reimbursed at a hospital-specific outpatient rate-per-visit. These services will be reimbursed up to an established maximum allowable fee.

The current rates for outpatient hospital PT, OT, and SLP providers are published in the attachments to *Wisconsin Medicaid and BadgerCare Update* 2005-74, titled "Changes to Reimbursement and Program Requirements for Outpatient Hospital Therapy Services."

Note: Providers will be notified when rates are updated.

Reimbursement (cont.)

PT, OT, and SLP services are reimbursed at the lesser of the billed amount or the maximum allowable fee.

However, PT and OT services provided by physical therapist assistants (PTAs) and certified occupational therapy assistants (COTAs) when working under general supervision (after a supervision waiver is obtained) are reimbursed at the lesser of the billed amount or 90 percent of the maximum allowable fee.

Copayment Amounts

Copayment amounts for PT, OT, and SLP services are determined per procedure code and correspond to the maximum allowable fee for the procedure code.

Refer to the Recipient Eligibility section of the All-Provider Handbook and the attachments to *Wisconsin Medicaid and BadgerCare Update* 2005-74, titled "Changes to Reimbursement and Program Requirements for Outpatient Hospital Therapy Services," to determine copayment amounts.

Copayment Amounts (cont.)

According to HFS 104.01(12), Wis. Admin. Code, providers are prohibited from collecting copayment from the following recipient groups:

- Recipients under 18 years old. (For HealthCheck services, recipients under 19 years old are exempt.)
- Recipients in nursing homes.
- Recipients in state-contracted managed care organizations receiving managed care-covered services. Refer to the Managed Care section of the All-Provider Handbook for more information.
- Pregnant women who receive medical services related to their pregnancy or to another medical condition that may complicate their pregnancy.

For additional information regarding copayment exemptions, refer to the Recipient Eligibility section of the All-Provider Handbook.

Program Requirements

When providing outpatient hospital PT, OT, and SLP services, providers will be required to follow Medicaid requirements for PT, OT, and SLP services (instead of Medicaid requirements for outpatient hospital services).

These providers will be subject to the rules and regulations of HFS 107.16, 107.17, and 107.18, Wis. Admin. Code, as well as HFS 101-108, Wis. Admin. Code.

For a covered service to meet program requirements, the service must be provided by a qualified Medicaid-certified provider to an eligible recipient. In addition, the service must meet all applicable program requirements, including, but not limited to, medical necessity, prior authorization (PA), claims submission, prescription, and documentation requirements.

Program Requirements (cont.)

To receive Medicaid reimbursement for a covered service, all Medicaid requirements must be met. For PT, OT, and SLP services, the following must be true:

- Professional skills of a PT, OT, or SLP provider are required to meet the recipient's therapy treatment needs.
- Services are medically necessary as defined under HFS 101.03(96m), Wis. Admin. Code.
- Services are prescribed by a physician.
- Services are established in a written plan of care (POC) before they are provided.

Program Requirements (cont.)

- Services are cost-effective when compared with other services that meet the recipient's needs.
- Services are prior authorized by Wisconsin Medicaid when applicable.
- Services are performed by a qualified provider and supervision requirements are met.

Medicaid Provider Certification Requirements

Certification requirements remain unchanged for outpatient hospital PT, OT, and SLP providers.

Wisconsin Medicaid requires providers offering outpatient hospital PT, OT, and SLP services who are employed by, or under contract to, hospitals to meet all Medicaid certification requirements but does not require them to be individually certified by Wisconsin Medicaid.

The hospital is required to maintain records showing that its individual providers meet Medicaid certification requirements as outlined in HFS 105, Wis. Admin. Code.

Medicaid Provider Certification Requirements (cont.)

Program requirements remain unchanged for providers offering off-site hospital PT, OT, and SLP services who are employed by, or under contract to, hospitals. These providers are required to be individually certified by Wisconsin Medicaid.

Wisconsin Medicaid provider certification packets are available on the Web at *dhfs.wisconsin.gov/medicaid4/certificationpackets/index.htm*.

Documentation Requirements

To be reimbursed by Wisconsin Medicaid, all PT, OT, and SLP services must be documented in the recipient's medical record. Documentation requirements include, but are not limited to, the following:

- The physician's prescription for PT, OT, and SLP services.
- The written report of the recipient's evaluation.
- The recipient's POC.
- A written entry* for each date a PT, OT, or SLP service is provided.
- Discharge plan, including any applicable home exercise programs and maintenance plans.

*For detailed information regarding requirements for daily written entries and other documentation requirements, refer to the Documentation Requirements chapter of the PT, OT, and SLP Services Handbook.

Supervision Requirements

When supervision requirements are met, Medicaid reimbursement is available for services provided by:

- Physical therapist assistants (PTAs).
- Certified occupational therapy assistants (COTAs).
- Speech and language pathology (SLP) provider assistants.
- PT, OT, and SLP students.
- PT aides.

The hospital will receive reimbursement for services provided by these groups.

PT and OT providers who wish to use assistants under general supervision may receive a waiver granting an alternative to Wisconsin Medicaid's current supervision requirements for PTAs and COTAs.

Refer to Appendix 2 of the PT, OT, and SLP Services Handbook for detailed information about supervision requirements.

Supervision Requirements (cont.)

The waiver should be requested when a provider wishes to use assistants under general supervision as allowed by the supervision requirements of the Wisconsin Department of Regulation and Licensing.

- To receive a waiver, each hospital is required to complete (only once) the Request for Waiver of Physical Therapist Assistant and Occupational Therapy Assistant Supervision Requirements form.
- Form is available for downloading at *dhfs.wisconsin.gov/medicaid4/forms/index.htm* and is also available for photocopying in Appendix 5 of the PT, OT, and SLP Services Handbook.
- Effective immediately, Wisconsin Medicaid will begin accepting waiver request forms from outpatient hospitals.

Covered Services

Covered PT, OT, and SLP services are identified by allowable CPT and HCPCS procedure codes.

Procedure codes determine reimbursement and copayment amounts.

Refer to the attachments to *Wisconsin Medicaid and BadgerCare Update* 2005-74, titled "Changes to Reimbursement and Program Requirements for Outpatient Hospital Therapy Services," for procedure codes for PT, OT and SLP services.

Covered Services (cont.)

Unit of Service
Some procedure code descriptions do not specify a unit of time. When an amount of time is not specified, the entire service, for each date of service, equals one unit.

Some procedure code descriptions specify a unit of time. When an amount of time is specified, that amount of time equals one unit.

For example, if a code description indicates "each 15 minutes," fifteen minutes is equal to one unit. If a code description indicates "first hour," one hour is equal to one unit.

Covered Services (cont.)

Partial Units
Part of a unit may be indicated by using a number with a decimal point. If the procedure code description indicates "first hour," ".5" would be used to indicate 30 minutes.

Note: SLP services cannot be billed for less than 8 minutes.

Modifiers
For outpatient hospital services, modifiers are required when indicating certain PT and OT services.

Refer to Appendix 14 of the handbook for a list of allowable modifiers for PT and OT services.

Covered Services (cont.)

Place of Service Codes
PT, OT, and SLP services must be provided in an allowable place of service.

For PT, OT, and SLP services provided in an outpatient hospital, the allowable place of service code is 22.

Prior Authorization

Wisconsin Medicaid uses the prior authorization (PA) process to determine whether the standards of medical necessity are met and to assure that appropriate PT, OT, and SLP services are provided to Medicaid recipients.

Outpatient hospital PT, OT, and SLP providers will be required to follow PA requirements and procedures for PT, OT, and SLP services.

Effective immediately, Wisconsin Medicaid will begin accepting PA requests for outpatient hospital PT, OT, and SLP services to be provided on and after March 1, 2006.

Prior Authorization (cont.)

Note:

- Prior authorization does not guarantee payment. To receive Medicaid reimbursement, provider and recipient eligibility on the date of service, as well as all other Medicaid requirements, must be met.
- Providers should end treatment when the services are no longer required *even* if that occurs before the expiration date of the PA request.

Prior Authorization (cont.)

Wisconsin Medicaid requires PA for the following:

PT, OT, and SLP services provided subsequent to the recipient's initial spell of illness (SOI).

- The initial SOI begins with the first day of evaluation or treatment and ends when services are no longer required or after the 35 dates of service, whichever comes first.
- The 35 dates of service include any treatment days covered by other health insurance sources or any treatment days provided by another provider in any setting.
- To receive Medicaid reimbursement, PT, OT, and SLP services provided within the initial 35 treatment days must meet the same medical necessity requirements as PT, OT, and SLP services that require PA.

Prior Authorization (cont.)

Duplicate services may not be reimbursed by Wisconsin Medicaid. Wisconsin Medicaid may deny payment when another provider has a valid PA for duplicate PT, OT, or SLP services or when prior payment has been made to another provider.

To avoid potential claim denials resulting from duplicate services, providers are encouraged to request PA when they are unsure whether the recipient has received, or is currently receiving, PT, OT, or SLP services from another provider.

When PA is required, a Prior Authorization Request Form (PA/RF) must be submitted to Wisconsin Medicaid, along with the appropriate attachment.

Prior Authorization (cont.)

PT, OT, and SLP providers have the following choices for PA attachments:

- Prior Authorization Therapy Attachment (PA/TA).
- Prior Authorization Spell of Illness Attachment (PA/SOIA).
- Prior Authorization Birth to 3 (B-3) Therapy Attachment (PA/B3): This may be used only if the provider is employed by, or under agreement with, a B-3 agency to provide B-3 services to a child enrolled in a B-3 program (not applicable for hospitals).

These attachments and completion instructions may be downloaded from Web at *dhfs.wisconsin.gov/medicaid4/forms/index.htm* and are also available for photocopying in the PT, OT, and SLP Services Handbook.

Prior Authorization (cont.)

PT, OT, and SLP services that require PA starting with the first day of treatment, include the following:

- Aural rehabilitation following cochlear implants.
- Cotreatment.
- Dual treatment.
- HealthCheck "Other Services."
- Services identified by unlisted procedure codes.
- Treatment of decubitus ulcers.
- Treatment for conditions resulting from mental retardation.

Prior Authorization (cont.)

When requesting approval for extension of therapy services, maintenance of therapy services, and services that always require PA, submit the PA/RF and the PA/TA.

When requesting approval for Spell of Illness (SOI), submit the PA/RF and the PA/SOIA.

Extension of Therapy versus Spell of Illness

Physical therapy, OT, and SLP providers are **required** to request extension of therapy services (instead of SOI) when any of the following is true:

- The onset of the recipient's condition occurred more than six weeks prior to the request for SOI.
- The combination of the *International Classification of Diseases, Ninth Revision, Clinical Modification* code for the PT, OT, or SLP services and the true statement from the Prior Authorization/ Spell of Illness Attachment, HCF 11039, does not allow for SOI approval.
- The recipient's need for PT, OT, or SLP services has exceeded the maximum allowable treatment days for that SOI.
- The recipient's condition does not qualify for an SOI. (Certain conditions never qualify for an SOI, such as mental retardation.)

Extension of Therapy versus Spell of Illness (cont.)

PT, OT, and SLP providers are **encouraged** to request extension of therapy services (instead of SOI) when either of the following is true:

- The provider is unsure if the recipient has received, or is currently receiving, PT, OT, or SLP services from another provider for the current SOI.
- The recipient's need for PT, OT, or SLP services is expected to exceed the maximum allowable treatment days for that SOI.

Prior Authorization Submission

Providers have the following options for submitting prior authorization (PA) requests:
Web: Wisconsin Medicaid Web Prior Authorization (Web PA) application
www.wisconsinedi.org/webpa/logon.do

Mail:
Wisconsin Medicaid
Prior Auth
Ste 88
Madison WI 53784-0088

Fax: (608) 221-8616

Prior Authorization Submission (cont.)

Wisconsin Medicaid accepts PA/RFs for PT, OT, and SLP services via Web PA. The PA/SOIA may also be submitted via Web PA.

Note: The PA/TA may not be submitted via Web PA. However, the PA/SOIA can be submitted via the Web.

PA submission via the Web:

- Intended to reduce the number of requests returned to providers due to clerical errors or omissions.
- May establish initial grant dates.
- Reduced mail time.
- Improved quality.
- Security and privacy protected.

Prior Authorization Submission (cont.)

New users must register to submit PA requests via the Web.
Once registered, there are two options for Web PA submission:

- Complete and submit PA/RF and PA attachments via Web.
- If submitting supporting clinical documentation along with the PA request, complete and submit PA/RF and PA attachments via Web AND send PA/RF, PA attachments, and any supporting clinical documentation on paper by mail or fax within 10 business days.

For Web PA information and help:

- Web PA application: *www.wisconsinedi.org/webpa/logon.do*
- Web PA tutorial: There is a link at the top of each Web PA screen.
- Online Help: There is a link at the top of each Web PA screen.
- Web PA technical Helpdesk: (608) 221-9730

Response to Prior Authorization Submission

After the clerical and clinical reviews are complete, the PA request is:

- Approved.
- Approved with modification.
- Denied.
- Returned to the provider for additional information or clarification.

Refer to the Prior Authorization section of the All-Provider Handbook for more information about PA decisions.

Prior Authorization and Retroactive Medicaid Eligibility

If a service(s) that requires prior authorization (PA) was performed during a recipient's retroactive eligibility period, the provider is required to submit a PA request and receive approval from Wisconsin Medicaid before submitting a claim.

- Indicate the words "RETROACTIVE ELIGIBILITY" at the top of the PA request or in the "Description of Service" element.
- Explain that the service was provided at a time when the recipient was retroactively eligible and include the actual date(s) the service(s) was provided.

If a recipient was retroactively eligible and the PA request is approved:

- The service(s) may be reimburseable.
- The earliest effective date of the PA request will be the date the recipient receives retroactive eligibility.

Requesting Amendments to an Approved PA Request

Providers may request an amendment to a current approved or modified prior authorization (PA) request to change any of the following:

- The frequency of treatment.
- The grant or expiration date(s).
- The specific treatment code(s).
- The request for cotreatment.

Prior authorization expiration dates may be amended up to one month beyond the original expiration date if the additional services are medically necessary and PT, OT, or SLP services will be discontinued after this brief extension of services.

- If the need for PT, OT, or SLP services is expected to continue for longer than one month beyond the expiration date, submission of a new PA request is required.

Requesting Amendments to an Approved PA Request (cont.)

- Providers are required to submit a new PA request (instead of requesting an amendment) if the recipient's medical condition changes significantly and requires a new POC.

The request to amend the PA/RF should include the following:

- A copy of the original PA/RF.
- A Prior Authorization Amendment Request form (form may be downloaded at *dhfs.wisconsin.gov/medicaid4/forms/index.htm*).
- The specific, requested changes to the PA/RF.
- Documentation justifying the requested changes. This may include the POC, a new written report of the recipient's evaluation, treatment goals, etc.

Coordination of Benefits

Except for a few instances, Wisconsin Medicaid is the payer of last resort for any Medicaid-covered service. Therefore, the provider is required to make a reasonable effort to exhaust all existing other health insurance sources before submitting claims to Wisconsin Medicaid or to a state-contracted managed care organization (MCO).

When submitting crossover claims (automatic crossover claims, provider-submitted crossover claims) for outpatient hospital PT, OT, and SLP services, providers should continue to follow Medicare's procedures.

Coordination of Benefits (cont.)

If Medicare denies or recoups payment for services provided to dual eligibles that are covered by Wisconsin Medicaid, the provider may submit a claim for those services directly to Wisconsin Medicaid via the CMS 1500 claim form or the 837P transaction.

To allow payment by Wisconsin Medicaid in this situation, providers are encouraged to request PA before providing Medicaid-covered services that require PA.

Claims Submission

Regardless of submission method, Wisconsin Medicaid must receive properly completed claims within 365 days from the date of service. This policy applies to all initial claims submissions, resubmissions, and adjustment requests.

Providers will be required to submit claims using the CMS 1500 claim form or the 837P transaction for outpatient hospital PT, OT, and SLP services. When submitting these claims, the billing provider number of the hospital must be indicated. (A performing provider number should not be indicated on the claim.)

Claims Submission (cont.)

If billing on paper, refer to the PT, OT, and SLP Services Handbook for CMS 1500 claims submission instructions.

If billing electronically using Provider Electronic Solutions (PES)* claims submission software, refer to the Provider Electronic Solutions Software User Manual for claims submission instructions.

If billing electronically using the 837P transaction, refer to the Wisconsin Medicaid Companion Document to HIPAA Implementation Guide: 837 Professional for claims submission instructions.

*The DHCF offers PES software at no cost to providers. To obtain PES software, providers may request it through the EDI section of the Medicaid Web site. Providers may also obtain the software by contacting the EDI Helpdesk by telephone at (608) 221-9036 or by e-mail at *wiedi@dhfs.state.wi.us*.

PT, OT, and SLP Services Handbook Overview

The revised handbook combines the therapy services information for PT, OT, and SLP into one handbook. The following topics are covered in the handbook:

- Certification and ongoing responsibilities.
- Provider communication.
- Documentation requirements.
- Services and requirements.
- Codes.
- Prior authorization (includes PA requirements, form examples, and instructions).
- Claims (includes claim examples and instructions).
- Reimbursement information.

PT, OT, and SLP Services Handbook Overview (cont.)

The handbook is available on the Medicaid Web site at *dhfs.wisconsin.gov/medicaid2/index.htm*

CD copies of the handbook were mailed to providers in December 2005.

Tips for finding information in the handbook:
- Table of Contents and Index provide key terms/concepts and associated page numbers in the paper copy of the handbook.
- Search feature on the Web and CD versions of the handbook allows users to enter a key word or phrase to search for specific information. In addition, there are side and top menus built into the frames of the Web and CD versions that allow users to easily navigate from one chapter to the next.

New Claim Form Requirements, Procedure Codes, and Time Units

The Appendix of the new PT, OT, and SLP Services Handbook includes the following information for PT, OT, and SLP services:
- CMS 1500 claim form completion instructions (Appendix 33).
- Sample completed CMS claim forms (Appendices 34, 35, 36).
- Medicaid-allowable procedure codes (HCPCS and CPT codes) and corresponding time units (Appendices 8, 9, 10).

Medicaid Resources

For policy questions:
- Medicaid Web site: *dhfs.wisconsin.gov/Medicaid* (includes Medicaid provider handbooks and *Wisconsin Medicaid and BadgerCare Updates*).
- Medicaid Provider Services: (800) 947-9627 or (608) 221-9883.

For Medicaid forms for therapy services providers:
dhfs.wisconsin.gov/medicaid4/forms/index.htm
Note: The PA/RF and the CMS 1500 claim form are not available at this site.

For questions from recipients:
Recipient Services (for recipient use only): (800) 362-3002 or (608) 221-5720.

Questions?

Outpatient hospital PT, OT, and SLP providers with questions about Update 2005-74, titled "Changes to Reimbursement and Program Requirements for Outpatient Hospital Therapy Services," or policy-related questions may submit questions to *therapyquestions@dhfs.state.wi.us*.

For questions regarding billing, contact Medicaid Provider Services at (800) 947-9627 or (608) 221-9883.